

**SCOTTSDALE TOURISM DEVELOPMENT COMMISSION
CITY OF SCOTTSDALE
PINNACLE CONFERENCE ROOM
7575 EAST MAIN STREET
SCOTTSDALE, ARIZONA
FEBRUARY 15, 2005
APPROVED MINUTES**

PRESENT: Ned Sickle, Chairman
John Holdsworth, Vice Chairman
Margaret Dunn, Commissioner
Jerry Gleason, Commissioner
Tom Morrow, Commissioner
Gordon Zuckerman, Commissioner

ABSENT: Sally Shaffer, Commissioner

STAFF: Kathy O'Connor
Kathy Montalvo
Jennifer Greenfield
Lee Guillory
Craig Clifford
Dave Roderique

OTHERS PRESENT FOR ALL OR PORTIONS OF THE MEETING:

Wayne Ecton, Councilman
Brent DeRaad
Rachel Sacco
Genia Kehayes

CALL TO ORDER

Chairman Morrow called the regular meeting of the Scottsdale Tourism Development Commission to order at 8:00 a.m.

ROLL CALL

A formal roll call confirmed members present as stated above.

APPROVAL OF MINUTES

A MOTION WAS MADE BY COMMISSIONER GLEASON TO APPROVE THE MINUTES OF THE JANUARY 18, 2005 MEETING AS PRESENTED. THE

MOTION WAS SECONDED BY COMMISSIONER ZUCKERMAN AND PASSED UNANIMOUSLY.

MONTHLY UPDATES

Bed-tax Staff Report

Ms. O'Connor provided a brief overview of the Bed Tax Fund Collection Report. She called their attention to Table 3A, a new table, that gives a comparison dollar to dollar of where the City was last year at the same time.

Smith Travel Research Lodging Report

Ms. O'Connor discussed the highlights of the Smith Travel Report.

Project Status Updates

Ms. O'Connor provided an update on the status on the Five-Year Strategic Plan noting the finalized scope of work will come before the Commission in March. She reported the Desert Discovery project is moving forward. She provided an update on the letter of support from the Commission regarding the WestWorld Master Plan. Chairman Sickles stated the purpose of the letter is to build upon the support the Commission provided at the last meeting.

WESTWORLD EVENTS UPDATE

Dave Roderique, General Manager of the Economic Vitality Department, stated the purpose of the WestWorld events update has to do with the big picture and how to go about supporting and retaining events. He further stated the topic this morning is related to Barrett-Jackson and the tremendous amount of discussion regarding this event moving after next year. He reported the goal of the City is to try to retain this event. This is a significant event to Scottsdale and to the Valley. He noted the issue is that this event continues to grow and the issues relate to lack of space. He further reported we are looking at a variety of alternatives. He added that the City has had some very frank conversations with some of the other car auctions that are very interested in WestWorld should Barrett-Jackson leave.

Commissioner Holdsworth inquired when a decision has to be made. Mr. Roderique replied we have at least a year before a decision needs to be made.

Commissioner Dunn stated there have been newspaper articles that discuss the shortcomings of the Master Plan. Councilman Ecton explained that the Master Plan is almost two years old and needs to be fine-tuned.

Mr. Roderique reported that retaining and growing events is a high priority to the City but some events have outgrown the facility so we need to continue to bring in new events. He further reported that hopefully the Council will approve an event coordinator position; someone who will be responsible to market new events that fit within the WestWorld parameters.

The Commission discussed the fact there has been a lot of negative press with regard to this issue.

Councilman Ecton stated he constantly receives phone calls and email from people who want to do shows at WestWorld. There is a lot of interest in this facility.

In reference to the Barrett Jackson Auction, the Commission discussed the fact that Glendale and Gila River do not have the cachet of Scottsdale that the high rollers that attend the event want.

Mr. Roderique provided an update on the Giants spring training facility.

BED TAX BUDGET & PROFORMA

Mr. Clifford reported that there are not any changes to the proforma.

FY05/06 EVENT SUPPORT PROGRAM

Ms. O'Connor provided an update on where the Events Support Program currently stands and what issues remain that the Commission needs to address going forward. She reported the TDC reviewed the FY04-05 Matching Event Advertising Funding process at their Annual Retreat and were generally satisfied with the results of the process to that point.

She reported there are three pending elements of the program that the TDC decided to address in FY2004-2005 in conjunction with the evaluation of the first year of the Matching Event Advertising Program:

1. Community Events Funding
2. Event Development and Retention
3. Signature Event Definition and Designation

Commissioner Holdsworth inquired if the Community Events funding is anticipated to be a part of the TDC matching fund process. Ms. O'Connor explained that because the general fund does not fall within the purview of the Commission it would probably be a multi-disciplinary group that would oversee it and the TDC would be a part of that. Commissioner Holdsworth commented that some community events have the opportunity to grow into larger events that attract outside visitors and he would not want to lose that

opportunity. Ms. O'Connor stated that is a good point. One of the objectives could be to identify resources to grow an existing event.

Ms. O'Connor inquired if there was additional information the Commission needed prior to discussing these issues. She inquired if the Commission preferred to refer this item to the Event Sub-Committee for further consideration. The consensus of the Commission was to forward this to the Event Sub-Committee.

Councilman Ecton stated backing up to the issue of Community Event funding he looks at that as something the Commission did not want to deal with. Commissioner Holdsworth stated he would disagree with that comment because it was not that the Commission did not want to support those events but they did not meet the criteria. Mr. Clifford inquired if the Commission was willing to support the \$50,000 commitment towards community events. Commissioner Holdsworth remarked that he felt community events play a big part in development of the city. He further remarked that he believed those events do deserve city support.

MID-YEAR DESTINATION MARKETING PROGRAM UPDATE

Ms. Sacco provided a mid-year destination marketing program update. The purpose of the update is to provide an overview of the CVB performance over the last six months. She inquired if there were any questions on the first half of this fiscal year. She responded to questions and comments regarding the update.

Commissioner Holdsworth congratulated the CVB on their forward thinking. He inquired when the CVB is at an out-of-state event if they have the tools to book someone there and then and seize the opportunity. Ms. Sacco stated we could look into it but cost is a factor.

FY05/06 DESTINATION MARKETING PLAN REQUEST FOR PROPOSAL

Ms. O'Connor stated in anticipation of the formal action required of the Commission to move the Scottsdale Convention and Visitors Bureau contract forward to the Mayor and City Council, the Commission is requested to review the Tentative Scope of Work and to identify any additional areas they would like to see included. She further stated review and approval of the final Request for Proposal will be at the March 15th meeting. Ms. O'Connor responded to comments and questions from the Commission regarding the CVB Marketing Program Proposal.

Ms. O'Connor stated that she has been discussing with Ms. Sacco there could be performance measures that are more appropriate. Ms. Sacco stated we want to ensure that we are measuring the right things. She further stated an example would be many more people go to the website rather than calling.

Ms. Sacco reported the CVB is trying to find ways for the CVB to support the TDC and the City in terms of taking a stand, when appropriate, when editorials come up. Commissioner Holdsworth stated that he felt the Commission should be proactive when it comes to editorials, develop a consensus for the future, and have a consistent voice. Ms. O'Connor noted that could be a topic for the strategic plan. Commissioner Holdsworth stated we need to develop some sort of vision.

ITEMS FROM THE FLOOR

Ms. O'Connor noted the Tourism Development Commission 2005 Meeting Schedule was included in the packet.

ADJOURNMENT

The meeting concluded at 9:30 a.m.

Respectfully submitted,

"For the Record" Court Reporters